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UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF COLORADO

FEB 0 6 2003

DIV OF OIL GAS & MINING

IN RE:)
NORTH LILY MINING COMPANY, INC.,) Bankruptcy No. 01-23068-EEB
a Utah corporation, EIN: 87-0159350) Chapter 11
Debtor.	
IN RE:)
XERES TINTIC, LLC,) Bankruptcy No. 01-23069-DEC
EIN: 84-1528808) Chapter 11
Debtor.) Jointly Administered Under Case No. 01-23068-EEB

OBJECTION TO MOTION FOR ALLOWANCE AND PAYMENT OF ADMINISTRATIVE EXPENSE

The Debtors, by and through their attorneys, Kutner Miller Kearns, P.C., object to the Motion for Allowance and Payment of Administrative Expense by Glenarm 1800, LLC ("Glenarm") and, and as grounds therefor state as follows:

- 1. The Debtors filed for relief under Chapter 11 of the Bankruptcy Code on September 6, 2001. The Debtors have remained Debtors-in-Possession.
- 2. The Debtors Joint Amended Plan of Reorganization is pending before this Court for confirmation. The final confirmation hearing is currently scheduled for February 28, 2003.
- 3. The Lease with Glenarm for commercial space at 1800 Glenarm, Suite 210, Denver, Colorado (the "Lease") has already been assumed on a modified basis.
- 4. It does not appear that the claim asserted by Glenarm takes into account the Third Amendment to the Lease and the payments made to date.
- 5. Glenarm has alternative remedies and the Debtor intends to cure the Lease by the Plan confirmation date.

WHEREFORE, the Debtor prays that the Court make and enter an Order denying Glenarm's Motion for Allowance and Payment of Administrative Expense, and for such further and additional relief as to the Court may appear proper.

Dated: February 3, 2003

Respectfully submitted,

Lee M. Kutner, #10966

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